

**ASDOF-TRUMAN CONOPS
ELECTRONIC DATA INTERCHANGE
ELECTRONIC COMMERCE**

POC: NAVY EXCHANGE SERVICE COMMAND
SHIPS STORE PROGRAM

1. **Purpose:** To provide information regarding the initiative to have Electronic Data Interchange on ships stores afloat.

2. **AS IS STATE**

The steps to create an order on the ship are as follows:

Steps in Process

a. Order Creation

1. User selects items and prints purchase order.
2. Original and two copies sent to vendor
3. Copies filed waiting for dealers bill
4. One copy filed waiting for delivery of material

b. Vendor Order Processing

1. Vendor receives order
2. Vendor picks packs and ships and submits paper invoice for payment to DFAS with copy to ship.
3. DFAS matches paper invoice to purchase order and pays vendor

c. Receipt Process

1. Upon merchandise delivery, ship recordskeeper matches receipt copy of order to vendor invoice.
2. Recordskeeper posts receipt information into computer
3. Recordskeeper sends copy of receipt and transmittal page to DFAS by mail monthly

d. Unmatched Expenditures:

1. Occur when ship's receipt transmittal doesn't match amount paid to vendor
2. Caused by price or quantity differences
- 3 DFAS notifies ship through unmatched expenditure listing.
- 4 Ship researches problem and annotates unmatched expenditure listing
- 5 DFAS reviews annotated listing and advises ship of action to take. These actions can include modification to purchase order or accounting adjustment.

e. Ship reconciliation

1. When dealer's bill is received, ship matches it to the retained copy of the purchase order.
2. Ship notifies vendor if invoice has not been received.

3. **TO BE STATE**

Steps in process

a. Order Creation

1. Ship chooses items wanted. Creates order in ROM II. ROMII creates EDI User Defined File or "UDF" for EDI purchase order transaction (850).
2. Ship's EDI translator converts the UDF to an 850 and it is transmitted to the vendor and to DFAS.
3. ROM II retains EDI information for viewing or printing as required. Filing is not required but for test will be recommended for control purposes.

b. Vendor Order processing

1. Vendor receives order (850) via EDI process
2. Vendor picks packs and ships merchandise. Then it sends EDI invoice and shipping data transaction (857) electronically to ship and to DFAS.
3. DFAS electronically matches the 850 to the 857 and pays vendor.

c. Order Cancellation

1. In the event that the Ship decides to cancel the order, and EDI (861) order modification transaction is created.
2. In order for an 861 to be valid, it must be received by the vendor before the vendor issues an EDI 857 transaction.

d. Receipt Process

1. After receipt of shipment and of EDI 857 transaction; ship posts receipt information to ROM II.
2. Ship sends EDI receipt acknowledgement transaction (861) to DFAS electronically.
3. DFAS matches the 861 to previously paid invoice (857).

e. Unmatched expenditures eliminated because:

1. Price differences are eliminated.
2. Quantity differences are eliminated.

f. Ship Reconciliation is no longer needed.

5. **PROTOTYPE APPROACH**

Phases of Project

Phase 1: (To be completed by 15 March 2000)

1. Incorporate EDI transaction processing capability in ROM II.
2. Validate and test DFAS EDI transaction processing capability.
3. Validate and test vendor EDI processing capability.
4. Design and test process for non-EDI vendors to utilize the Navy Electronic Commerce Online system known as "NECO".
5. Define and promulgate any new processes and procedures to concerned parties.

Phase 2: (To be completed by 30 April 2000)

1 Perform "ALPHA" test in lab environment with USS TRUMAN test platform, EDI partner, and DFAS. Correct any deficiencies and retest as necessary

2 Perform "ALPHA" test in lab environment with USS TRUMAN, non-EDI partner, and DFAS utilizing NECO. Correct any deficiencies and retest as necessary.

Phase 3: (To be completed by 31 May 1999)

1. Perform live "BETA" test onboard USS TRUMAN with EDI partners. Correct any deficiencies

2. Perform live "BETA" test onboard USS TRUMAN with non-EDI partners. Correct any deficiencies

6. **HARDWARE, SOFTWARE, CONTRACTOR SUPPORT**

a. Hardware

1. Shipboard Equipment. EDI translator hardware and software is currently installed on ship. NAVSUP and SPAWAR to provide support.

2. ROM II Hardware. Is currently installed on ship.

b. Software

NAVSUP is providing software development support to incorporate EDI capabilities into ROM II and to add the capability of processing ships store EDI transaction to the NECO.

c. Contractor Support

1. EDI mapping.
2. Drafting of specifications for ROM II and NECO.
3. Development of ROM II EDI module
4. Integration of ROM II EDI module into ROM II.
5. Testing of ROM II EDI module
6. Data analysis

7. FUNDING REQUIREMENTS

a. Hardware: No additional funding required

b. Software: NAVSUP providing direct support in development of EDI module and changes to NECO. Modifications to ROM II will require some funding and testing will be required.

Element	Est. Timeframe	Est. Cost
1. Software development	Four months	TBD
2. Software integration	One week	\$5k
3. Testing of Software	One Month	\$12k
4. Mock up testing	Ongoing	
5. Computer based training module	One Month	\$5k
6. Implementation	one week	\$TBD
7. Contractor support for data analysis	2 Months	\$20k

8. METRICS

- a. Ability of EDI to work with EDI and non EDI vendors, DFAS-OPLOC
 - Number of attempted transactions vice completed transactions for EDI and Non-EDI vendors
 - Number of attempted transactions vice completed transactions at OPLOC
- b. Reductions on unmatched expenditures
 - Number of unmatched as result of EDI
 - Number of EDI compared to fleet average unmatched
 - Number of EDI compared to East Coast unmatched

9. PERFORMANCE STANDARDS

None

10. RISKS

- a. Process too hard to use by Navy or Vendors
- b. Communication links do not support process
- c. DFAS OPLOC is not willing to process EDI transaction sets
- d. Vendors refuse to cooperate and register complaints with Congress
- e. Training problems with ship manpower turnovers
- f. Time slippage due to software issues/ acceptance by Navy
- g. Ship not able to install for reasons outside control of agencies

11. TRAINING

- a. Training needed for:
 - 1. Supervisor personnel
 - 2. Radio personnel
 - 3. User personnel
 - 4. DFAS personnel

12. POLICY CHANGES: TBD

13: DETAILED POAM:

ROM II EDI Module	Start	Finish
a. Functional Specification	12/1/99	12/15/99
b. Software development	12/16/99	3/15/00
NECO ROM II EDI Modification		
a. Functional Specification	12/1/99	12/15/99
b. Software development	12/16/99	3/15/00
DFAS EDI processing validation	1/1/00	3/15/00
Alpha test		
a. EDI Vendors	3/16/00	4/30/00
b. Non-EDI Vendors	3/16/00	4/30/00

Beta test

a. EDI Vendors	5/1/00	5/31/00
b. Non-EDI Vendors	5/1/00	5/31/00

VENDOR EDI processing validation

a. EDI Vendors	12/1/99	3/15/00
b. Non-EDI Vendors	12/1/99	3/15/00

NAVAL SUPPLY SYSTEMS COMMAND

AFLOAT SUPPLY DEPARTMENT OF THE FUTURE

CONCEPT OF OPERATIONS

EDI ORDERING

USS HARRY S. TRUMAN (CVN-75)

NAVY EXCHANGE SERVICE COMMAND
SHIPS STORE PROGRAM